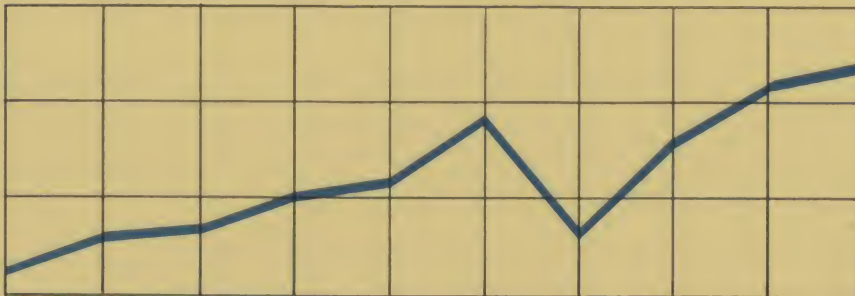


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# 1961 ANNUAL REPORT

V. J. ELMORE

5¢ - 10¢ & \$1.00 STORES, INCORPORATED



## Directors

|   |                     |
|---|---------------------|
| <b>Mrs. V. J. Elmore</b><br>President                                 | Birmingham, Alabama |
| <b>W. F. Rainer</b><br>Chairman of the Board                          | Birmingham, Alabama |
| <b>G. F. Parr</b><br>Executive Vice President<br>and Controller       | Birmingham, Alabama |
| <b>W. A. Willis, Jr.</b><br>Executive Vice President<br>and Treasurer | Birmingham, Alabama |
| <b>Mrs. Olive Elmore Casaday</b>                                      | Birmingham, Alabama |
| <b>V. J. Elmore, Jr.</b><br>Secretary                                 | Birmingham, Alabama |
| <b>Grady Reynolds</b><br>Reynolds & Reynolds Attorneys                | Clanton, Alabama    |

## Officers

|  |
|--|
| <b>Mrs. V. J. Elmore</b><br>President                                  |
| <b>W. F. Rainer</b><br>Chairman of the Board                           |
| <b>G. F. Parr</b><br>Executive Vice President and Controller           |
| <b>W. A. Willis, Jr.</b><br>Executive Vice President and Treasurer     |
| <b>C. O. Hester</b><br>Vice President and Merchandise Manager          |
| <b>R. N. Hales</b><br>Vice President and Sales Manager                 |
| <b>C. A. McSpadden</b><br>Vice President and Manager Real Estate Dept. |
| <b>T. C. Casaday, Jr.</b><br>Vice President and Manager Service Dept.  |
| <b>V. J. Elmore, Jr.</b><br>Secretary                                  |

## Other Executives

|   |
|---|
| <b>J. K. McRae</b><br>Supervisor                          |
| <b>C. H. Sweatt</b><br>Supervisor                         |
| <b>F. S. Alsup</b><br>Supervisor                          |
| <b>W. W. Whittle</b><br>Supervisor                        |
| <b>L. T. Crenshaw</b><br>Assistant Mdse. Mgr. and Buyer   |
| <b>J. D. Lietch</b><br>Buyer                              |
| <b>J. D. Robinson</b><br>Buyer                            |
| <b>J. C. Wood</b><br>Assistant Manager, Real Estate Dept. |

## President's Letter

### *To the Stockholders:*

Included in this Annual Report is a Balance Sheet as of January 27, 1962, and a Statement of Income for the year ended that date, together with Comparative Statements for the years ended January 27, 1962 and January 28, 1961.

Current financial condition as reflected by the Balance Sheet remains sound. Reference to the Comparative Statements of Income will reveal a net sales figure of \$10,083,659. This represents the highest sales volume in the history of the company. On a following page is set forth a chart relative to how these sales dollars were used. There are also included figures with respect to the sales growth of the company since founded in 1925.

Net income of \$431,001 reflects an increase when compared with the previous year and can be favorably regarded. Over-all expenses have increased and there are other factors having an adverse effect on net profits. There has been the necessity of temporarily closing some of our stores during remodeling and the expense incurred during such remodeling. Dividends have been paid in amount of \$134,423 and \$296,578 retained to supplement funds for improvements and expansion.

It is believed that a program of store modernization and merchandising is imperative to maintenance of our competitive position in the retail field. We are continuing our program of expanding service and the introduction of service betterments and it is believed that this is directly related to the healthy condition of our company. This is a repetition of a statement made in a previous report to stockholders.

There were eight major remodeling jobs completed during 1961 and eight are planned for 1962. One store was discontinued in 1961



V. J. ELMORE 5c, 10c AND \$1.00 STORES, Inc.

# Balance Sheets

January 27, 1962, and January 28, 1961

## ASSETS

|   | JANUARY 27, 1962 |                     | JANUARY 28, 1961 |                     |
|---|------------------|---------------------|------------------|---------------------|
| <b>CURRENT ASSETS</b>   |                  |                     |                  |                     |
| Cash  |                  | \$ 933,975          |                  | \$ 1,128,028        |
| Marketable securities—at cost plus interest accrued:                              |                  |                     |                  |                     |
| United States Government securities   | \$ 1,043,254     |                     | \$ 445,309       |                     |
| Municipal obligations   | -0-              | 1,043,254           | 454,775          | 900,084             |
| Merchandise inventories:  |                  |                     |                  |                     |
| At stores—at cost as determined by the retail inventory method                    | \$ 1,764,480     |                     | \$ 1,624,736     |                     |
| In warehouse—at cost (first-in, first-out basis) which is not in excess of market | 377,771          |                     | 343,325          |                     |
| In transit—at cost  | 130,112          | 2,272,363           | 109,751          | 2,077,812           |
| Prepaid expenses  |                  | 28,246              |                  | 10,823              |
| <b>TOTAL CURRENT ASSETS</b>   |                  | <b>\$ 4,277,838</b> |                  | <b>\$ 4,116,747</b> |
| <b>INVESTMENTS AND OTHER ASSETS</b>   |                  |                     |                  |                     |
| Municipal bonds—at cost   | \$ 18,750        |                     | \$ 20,600        |                     |
| Sundry accounts receivable  | 229              |                     | 540              |                     |
| State of Alabama obligations due April 1, 1968—at cost plus interest accrued      | -0-              | 18,979              | 44,108           | 65,248              |
| <b>LAND, BUILDINGS, AND EQUIPMENT—at cost</b>                                     |                  |                     |                  |                     |
| Land  | \$ 21,854        |                     | \$ 21,854        |                     |
| Office and warehouse building and paving  | \$ 190,177       |                     | \$ 190,177       |                     |
| Store buildings   | 23,300           |                     | 23,300           |                     |
| Fixtures and equipment  | 1,529,206        |                     | 1,394,255        |                     |
| Automobiles and trucks  | 97,037           |                     | 91,033           |                     |
| Improvements to leaseholds  | 525,028          |                     | 450,794          |                     |
| Betterments in progress   | 9,830            |                     | 39,874           |                     |
|   | \$ 2,374,578     |                     | \$ 2,189,433     |                     |
| Less allowances for depreciation and amortization                                 | 1,041,267        |                     | 922,596          |                     |
|   | \$ 1,333,311     | 1,355,165           | \$ 1,266,837     | 1,288,691           |
|   |                  | <b>\$ 5,651,982</b> |                  | <b>\$ 5,470,686</b> |

ERNST & ERNST

1300 FIRST NATIONAL BLDG  
BIRMINGHAM 3, ALA.

Board of Directors  
V. J. Elmore 5c, 10c and \$1.00 Stores, Inc.  
Birmingham, Alabama

We have examined the balance sheet of V. J. Elmore 5c, 10c and \$1.00 Stores, Inc., as of January 27, 1962, and the related statements of income and earned surplus for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and earned surplus present fairly the financial position of V. J. Elmore 5c, 10c and \$1.00 Stores, Inc., at January 27, 1962, and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

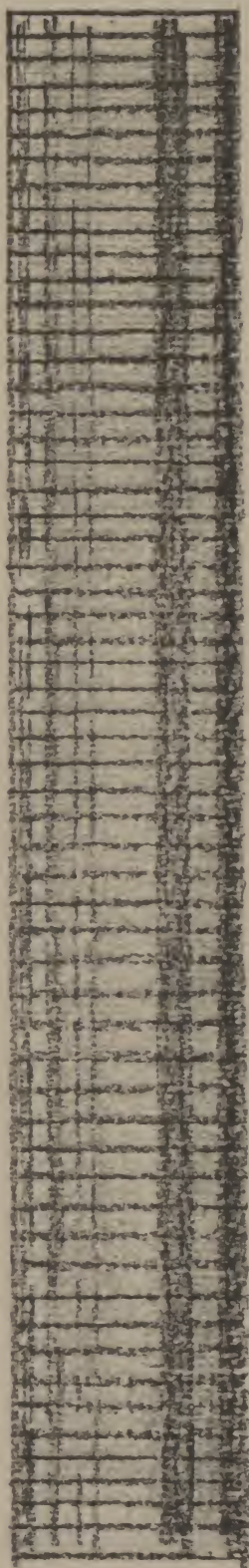
*Ernst & Ernst*

March 2, 1962

## Auditors' Report



How Our  
Sales Dollars  
Were Used  
In 1961



56.08%

Cost of Goods sold  
and Expenses.

20.32%

Salaries and wages,  
employees' benefits.

1.33%

Dividends paid to  
stockholders for use  
of their money.

2.58%

Allowance for wear,  
obsolescence of fixtures and  
equipment, and repairs.

2.89%

Earnings retained in the  
business for expansion  
and modernization.

6.80%

Taxes paid to Federal,  
State and City Government.

and replaced by a new store at another location. The major factors in store improvements, other than building remodeling, continue to be installation of air conditioning and conversion to self selection, check-out systems. The latter involves substantial changes in fixtures and expenditures incident thereto. Progress is being made, however, and there are now fifty-three stores operating under the self selection, check-out system and four conversions are planned for 1962. There are fifty stores air conditioned and four are planned for the current year. The policy of giving preference to those stores more in need of such equipment is being continued.

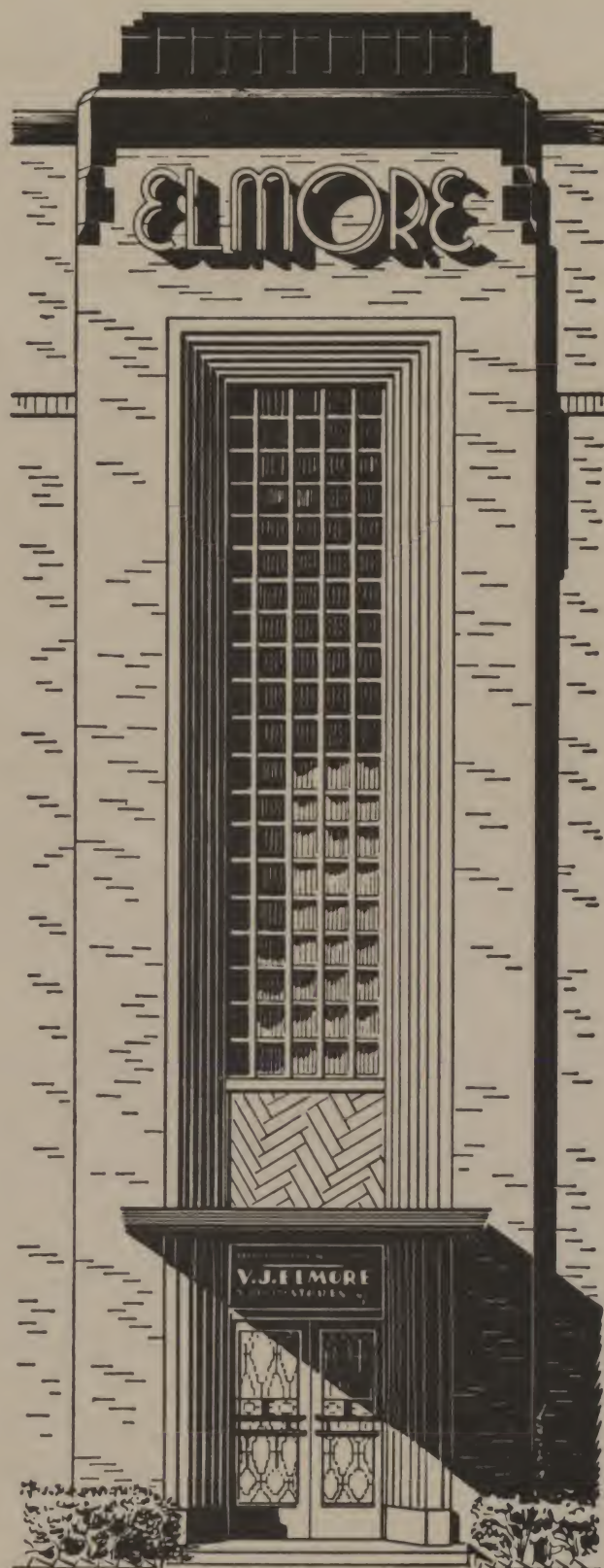
This has been a satisfactory year of operation. Such results as have been achieved can be attributed to proper merchandising; alert and coordinated store operations under efficient supervision, and the improvement and maintenance of physical assets. The gearing of control office staff more closely to company policies has been conducive to progress and safety of operation. The loyalty and efficient service of the personnel is gratifying. The Directors and Stockholders are also to be thanked for their counsel and advice. This will be recognized as a repetition as it has been said in a former report.

I regret that conditions are such that I cannot personally attend this Stockholders' Meeting.

With best wishes to each of you, this report is respectfully submitted.

*Mrs. V. J. Elmore*

President



ESTABLISHED 1925

A REPORT  
TO THE STOCKHOLDERS  
V. J. ELMORE, INC.  
**ANNUAL REPORT**

January 27, 1962



## LIABILITIES AND SHAREHOLDERS' EQUITY

JANUARY 27, 1962

JANUARY 28, 1961

### CURRENT LIABILITIES

Accounts payable and accrued expenses:

Trade accounts

\$ 155,093

\$ 292,872

Salaries and bonuses

76,936

68,859

Pay roll taxes and taxes withheld  
from pay rolls

24,781

23,180

Sales and retailers' excise taxes

20,150 \$ 276,960

17,731 \$ 402,642

Federal and state taxes on income—  
estimated

287,000

270,000

TOTAL CURRENT LIABILITIES

\$ 563,960

\$ 672,642

### SHAREHOLDERS' EQUITY

Capital stock:

First Preferred Stock, par value

\$100 a share (entitled to \$100 a share  
plus accumulated dividends upon liqui-  
dation):

Authorized 3,277 $\frac{3}{4}$  and 3,343 $\frac{3}{4}$   
shares, respectively; issued and  
outstanding:

767 shares of 7% cumulative

\$ 76,700

\$ 76,700

2,510 $\frac{3}{4}$  and 2,576 $\frac{3}{4}$  shares of 5%  
cumulative, respectively

251,075

257,675

\$ 327,775

\$ 334,375

Common Stock, Class "B", no par value, stated  
value \$16-2/3 a share, dividends of \$1 a  
year cumulative, preferred over other com-  
mon stock only as to cumulative dividends,  
with participation rights in additional divi-  
dends, if declared, but not to exceed total  
annual dividends paid on Class "A" Com-  
mon Stock:

Authorized, issued, and outstanding 6,000  
shares

100,000

100,000

Common Stock, Class "A", no par value, stated  
value \$16-2/3 a share:

Authorized, issued, and outstanding 2,500  
shares

41,667

41,667

\$ 469,442

\$ 476,042

Capital surplus (no change during the year)

16,235

16,235

Earned surplus

4,602,345 5,088,022

4,305,767 4,798,044

### LONG-TERM LEASES—Note A

\$ 5,651,982

\$ 5,470,686

See note to financial statements.

## Comparative Statement Of Income

|  | Fiscal Year Ended         |                           | Increase            |
|--|---------------------------|---------------------------|---------------------|
|  | Jan. 27, 1962             | Jan. 28, 1961             | Decrease*           |
| Net sales                                  | \$10,083,659              | \$ 9,875,031              | \$ 208,628          |
| Cost of goods sold                         | 6,142,561                 | 6,012,422                 | 130,139             |
| Selling and administrative expenses        | \$ 3,941,098<br>3,085,867 | \$ 3,862,609<br>3,001,125 | \$ 78,489<br>84,742 |
| Other income                               | \$ 855,231<br>30,185      | \$ 861,484<br>29,519      | \$ 6,253*<br>666    |
| INCOME BEFORE TAXES ON INCOME              | \$ 885,416                | \$ 891,003                | \$ 5,587*           |
| Taxes on income:                           |                           |                           |                     |
| Provision for the year—estimated:          |                           |                           |                     |
| Federal normal income and surtax           | \$ 447,000                | \$ 455,000                | \$ 8,000*           |
| State income taxes                         | 15,000                    | 15,000                    | -0-                 |
| Overprovision for prior year               | 7,585*                    | 3,702*                    | 3,883*              |
| Additional taxes on income for prior years | -0-                       | 10,742                    | 10,742*             |
| TOTAL TAXES ON INCOME                      | \$ 454,415                | \$ 477,040                | \$ 22,625*          |
| NET INCOME                                 | \$ 431,001                | \$ 413,963                | \$ 17,038           |

Provision for depreciation and amortization included above:  
1962 — \$249,350; 1961 — \$211,409.

\* Indicates red figures.

## Comparative Statement Of Earned Surplus

|  | Fiscal Year Ended |               | Increase   |
|--|-------------------|---------------|------------|
|  | Jan. 27, 1962     | Jan. 28, 1961 | Decrease*  |
| Balance at beginning of year   | \$ 4,305,767      | \$ 4,029,302  | \$ 276,465 |
| Add net income for the year  | 431,001           | 413,963       | 17,038     |
|  | \$ 4,736,768      | \$ 4,443,265  | \$ 293,503 |
| Deduct:  |                   |               |            |
| Cash dividends paid:   |                   |               |            |
| On 7% First Preferred Stock (\$7 a share)  | \$ 5,369          | \$ 5,459      | \$ 90*     |
| On 5% First Preferred Stock (\$5 a share)  | 12,554            | 13,019        | 465*       |
| On Class "A" Common Stock (\$25 a share)   | 62,500            | 62,500        | -0-        |
| On Class "B" Common Stock (\$ 9 a share)   | 54,000            | 54,000        | -0-        |
|  | \$ 134,423        | \$ 134,978    | \$ 555*    |
| Excess of amount paid on purchase and permanent retirement of 63 shares of 7% First Preferred Stock over its par value | -0-               | 2,520         | 2,520*     |
|  | \$ 134,423        | \$ 137,498    | \$ 3,075*  |
| Balance at end of year   | \$ 4,602,345      | \$ 4,305,767  | \$ 296,578 |

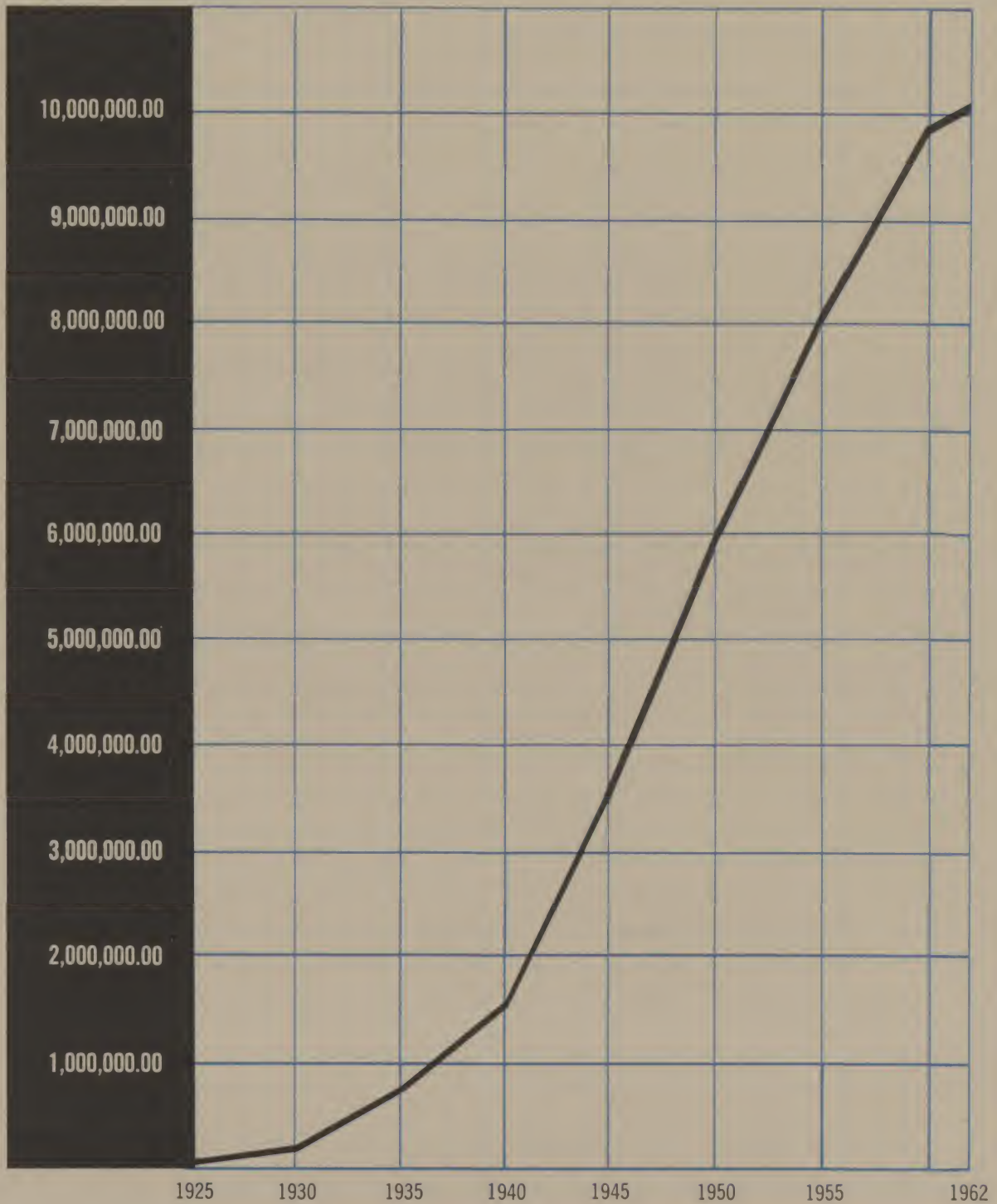
### Note To Financial Statements January 27, 1962

Note A—The Company is leasing land and buildings at sixty-six store locations. The terms of these leases range from one to seventeen years. The annual minimum rental is approximately \$280,000, plus additional percentages on sales over agreed amounts at certain locations.



# Sales

1925-1961







# V. J. ELMORE

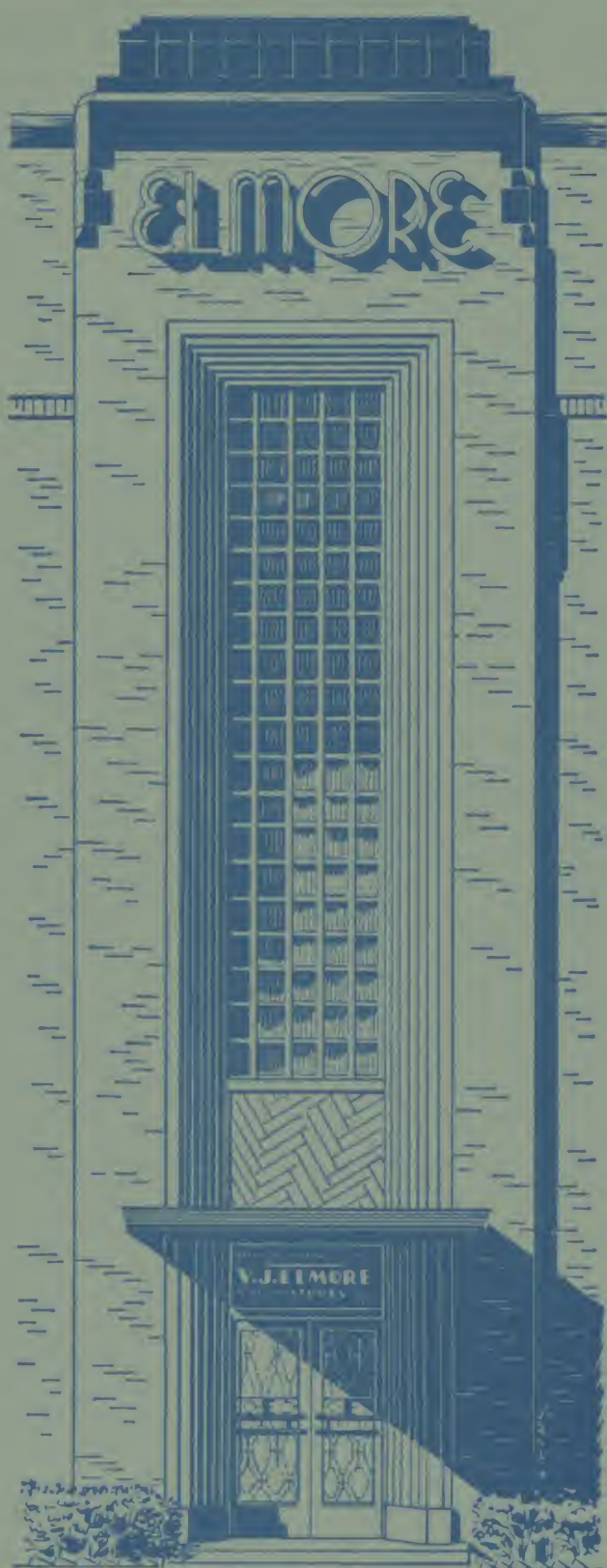
## Stores and Managers

MISSISSIPPI

ALABAMA

GEORGIA

|      |                        |                     |      |                      |                       |
|------|------------------------|---------------------|------|----------------------|-----------------------|
| 1925 | Clanton, Ala.          | J. C. Parr          | 1940 | Aberdeen, Miss.      | Walter G. Swann       |
| 1927 | Jasper, Ala.           | G. R. Dunlap        | 1940 | Amory, Miss.         | J. O. Ferrell         |
| 1928 | Wetumpka, Ala.         | Richard Head        | 1941 | Guntersville, Ala.   | Harvey Brom           |
| 1929 | Haleyville, Ala.       | J. D. Northcutt     | 1941 | Eutaw, Ala.          | Jiles H. Spears       |
| 1929 | Russellville, Ala.     | O. O. Fowler        | 1941 | Tuscumbia, Ala.      | Cam Wilkerson         |
| 1932 | Alexander City, Ala.   | J. W. Plyler        | 1941 | Sylacauga, Ala.      | Jasper T. King        |
| 1932 | Hartselle, Ala.        | J. H. Reynolds      | 1941 | Scottsboro, Ala.     | Dalton Gentry         |
| 1932 | Athens, Ala.           | L. B. Wallace       | 1941 | Fayette, Ala.        | James P. Boyles       |
| 1933 | Andalusia, Ala.        | R. M. Martin        | 1941 | Decatur, Ala.        | F. I. Manker          |
| 1934 | Tuskegee, Ala.         | Charles G. Harrison | 1942 | Fairfield, Ala.      | R. H. Wilks           |
| 1934 | Marion, Ala.           | W. L. Olds          | 1943 | Ozark, Ala.          | Willie Morrow         |
| 1934 | Demopolis, Ala.        | J. T. Rinehart      | 1943 | Abbeville, Ala.      | Rolf Davis            |
| 1934 | Greenville, Ala.       | J. T. King          | 1945 | Attalla, Ala.        | Newell LaFayette      |
| 1935 | Union Springs, Ala.    | Edward Freeman      | 1945 | Carbon Hill, Ala.    | (Mrs.) Edith Rutledge |
| 1935 | Samson, Ala.           | Jack Henson         | 1945 | Iuka, Miss.          | Walter Peek           |
| 1935 | Prattville, Ala.       | Stewart Culpepper   | 1946 | Tallassee, Ala.      | Claudell E. Garmon    |
| 1935 | Troy, Ala.             | H. R. Hutson        | 1947 | Homewood, Ala.       | H. S. Hayne           |
| 1935 | Eufaula, Ala.          | Cecil C. Cook       | 1948 | Moulton, Ala.        | John Glaze            |
| 1935 | Atmore, Ala.           | F. B. Littleton     | 1949 | Enterprise, Ala.     | K. P. Morris          |
| 1935 | Bay Minette, Ala.      | Orian E. Floyd      | 1949 | Foley, Ala.          | M. F. White           |
| 1936 | Brundidge, Ala.        | Verlon Davis        | 1950 | Leeds, Ala.          | R. J. Wisener         |
| 1936 | Clayton, Ala.          | James R. Eason      | 1950 | Gadsden, Ala.        | C. W. Hackett         |
| 1936 | Evergreen, Ala.        | William Murner, Jr. | 1950 | Elba, Ala.           | James H. Sport        |
| 1936 | Brewton, Ala.          | C. O. McAlister     | 1950 | Bessemer, Ala.       | Lamar Gassett         |
| 1937 | Albertville, Ala.      | J. D. Henry         | 1951 | Sheffield, Ala.      | O. G. Hargett         |
| 1937 | Oneonta, Ala.          | W. G. Baggett       | 1951 | Corinth, Miss.       | Harold D. Mason       |
| 1937 | Greensboro, Ala.       | Wm. L. Britnell     | 1953 | Roanoke, Ala.        | Harold Hinton         |
| 1937 | Boaz, Ala.             | Robert D. Edgeworth | 1954 | Auburn, Ala.         | Robert E. Bray        |
| 1937 | Opp, Ala.              | Tirres F. Hunter    | 1955 | West Point, Ga.      | Harfon Kemp           |
| 1938 | Fort Payne, Ala.       | G. R. Rinehart, Jr. | 1955 | Cullman, Ala.        | Leon Davis            |
| 1938 | Alabama City, Ala.     | U. W. Green         | 1957 | Opelika, Ala.        | J. M. Logan           |
| 1940 | Talladega, Ala.        | W. T. Camp          | 1959 | Center Point, Ala.   | Johnny B. Bradford    |
| 1940 | Monroeville, Ala.      | J. F. Wade          | 1959 | Cahaba Heights, Ala. | Leldon Hester         |
| 1940 | North Birmingham, Ala. | J. D. Cleere        | 1961 | Pell City, Ala.      | R. Lamar Hales        |



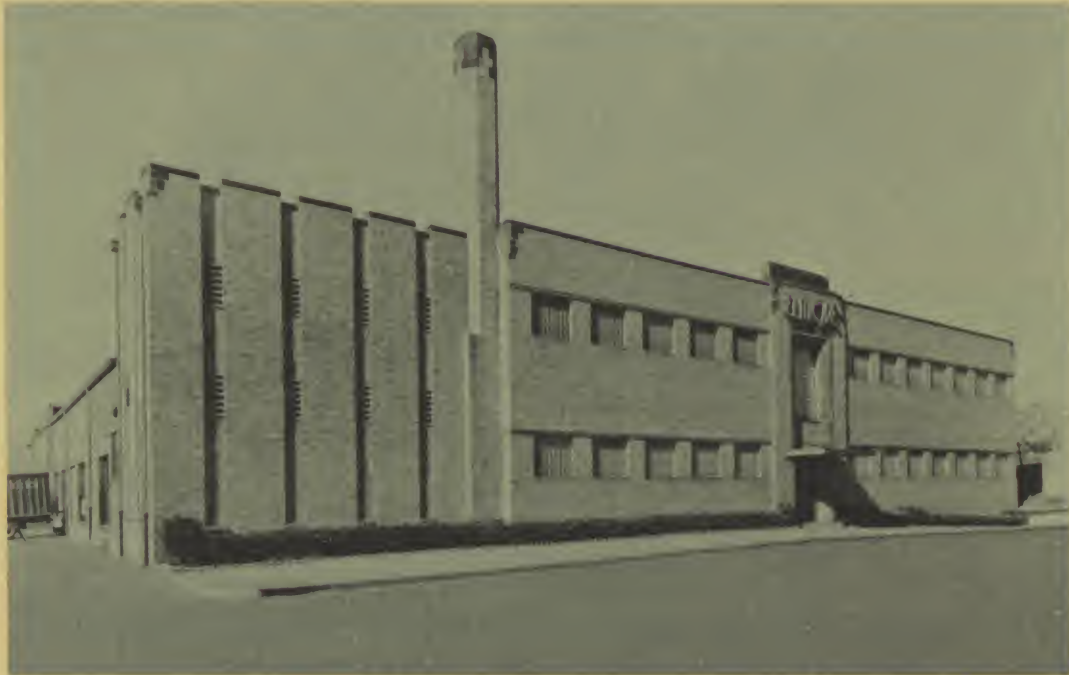
**V. J. ELMORE**  
**1961 ANNUAL REPORT**





# Home Office and Warehouse

10 SOUTH FOURTEENTH STREET  
BIRMINGHAM, ALABAMA



**O**UR HOME OFFICE BUILDING was completed on March 1, 1941, and with subsequent additions now contains 36,000 square feet of warehouse space on the ground floor. Executive and buying offices are located on the second floor with suites of offices arranged for each department. The entire office area is equipped with year-round air conditioning and fluorescent lighting.

*For more*  
**FOR MORE VALUE**